

## **RETIREMENT BOARD MEETING**

**June 15, 2016**

The Retirement Board Meeting of June 15, 2016 was held in the Lower Level Conference Room.

### **MEMBERS PRESENT:**

Alfred Marciano	Scott Small	Jeanne Muto-Kyle
Jane Jordan	Timothy Kelly	Brian Dunkley
William DePasquale	Donald Cimini	Scott Lajoie
Councilman Joseph Gallucci (sitting in for Councilwoman Vella-Wilkinson)		

### **MEMBERS NOT PRESENT:**

Ernest Zmyslinski  
Camille Vella-Wilkinson

### **ALSO IN ATTENDANCE:**

Diana Pearson, Esq.

1. **Meeting was called to order at 3:39 p.m.**

2. **Minutes of Previous Meeting**

Minutes of the Retirement Board Meeting of March 16, 2016 were brought before the Board for their review and approval.

<b>MOTION: Brian Dunkley</b>
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To approve the Retirement Board Minutes of March 16, 2016 as presented.

Seconded by William DePasquale and approved unanimously by the Board members present.

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### 3. **Quarterly Performance Report**

Tony Tranghese, from Fiduciary Investment Advisors distributed materials and presented the quarterly performance report for the First Quarter of 2016 along with the monthly performance update for May 2016.

The Municipal Plan had a value of \$111,891,095 as of May 31, 2016.

Tony reviewed the fee schedule for Investment managers, State Street Bank and FIA consulting fee. The City has 4 different pension plans and for the purposes of investment managers they aggregated through State Street into a single asset amount to help drive the cost down. Brian Dunkley asked Tony if there is flexibility to negotiate with State Street on the custody fee amount. Tony indicated that there may be some ability to get the fee reduced. Tony also mentioned that he has had conversation in the past with the City Treasurer and Finance Director to potentially go out to bid to test the market but warned that the switch is very labor intensive internally.

A watch status has been instituted for GMO. Their primary job in the portfolio is to try to add value through asset allocation decisions. They have underperformed over the past couple of years.

### 4. **Discussion on past Investment Presentations**

Al Marciano advised that a one page summary from the individuals that previously presented before the Board was included in the packets that were distributed to the Board Members present. He asked the members to please review for discussion at the next scheduled meeting. One thought would be to select a sub committee to review and come back for recommendation. Options on how to proceed will be discussed at the next meeting.

### 5. **Cost of Living Adjustment**

Included in the Board members packet is a letter from Gabriel, Roeder, Smith & Company dated March 8, 2016 stating there will be no Cost of Living Adjustment for this year. After some discussion the following motion was made.

**MOTION: Jeanne-Muto Kyle**

To accept the recommendation of Gabriel, Roeder, Smith & Company for no COLA increase this year.

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Scott Lajoi left the meeting at 4:45 p.m.

Seconded by William DePasquale and the following vote was taken:

6 – Yes, Brian Dunkley, Alfred Marciano, William DePasquale, Jane Jordan, Timothy Kelly, Jeanne Muto-Kyle.

2 – No, Donald Cimini, Scott Small

Absent for the vote: Camille Vella- Wilkinson, Ernest Zmyslinski, Scott Lajoie

Motion - Passed

**6. Interest to be applied to Contributions in the Pension Plan**

Alfred Marciano checked with Tony Trangese last year as to how other municipalities apply interest to the plan. Tony advised that they use the three month T Bill rate. As of June 15, 2016 the T Bill rate is 0.272 %.

**MOTION: Brian Dunkley**

To apply 0.272% interest for contributions in the plan.

Seconded by Jeanne Muto-Kyle and approved unanimously by the Board members present

**7. Portfolio Monitoring**

No update at this time. Al Marciano will get an update on the Wright litigation for the next meeting.

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**8. Retirement Applications**

<b>Date of Retirement</b>	<b>Retiree</b>	<b>Years of Service</b>	<b>Type of Pension</b>	<b>Amount of Pension</b>
5/1/20016	Margaret Ryan	19 Years 2 Months	10 Year Guarantee	\$2,008.07
9/1/2016	Richard Burke	27 Years 1 Month	Optional 75%	\$2,997.70/\$2,248.28
9/1/2016	Mark Davenport	25 Years 8 Months	Social Security Level Income	\$3,176.59/\$2,137.09
9/1/2016	Frank LaFazia	10 Years 3 Months	Early	\$876.43
9/1/2016	Nancy Lussier	10 Years 7 Months	Early	\$855.57
9/1/2016	David Olsen	23 Years 7 Months	Normal	\$5,406.72

The following Retirement Applications were brought before the Board for their approval.

**MOTION: Jeanne-Muto Kyle**

To approve the Retirement Applications as submitted.

Seconded by Scott Small and approved unanimously by the Board members present.

9. **Death Benefits**

There were three Death Benefits @ \$8,000 each for a total of \$24,000 since the last Retirement Board of March 16, 2016.

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10. **Fiduciary Investment Advisors & Gabriel,Roeder, Smith and Co. Invoices**

PAID INVOICES:

**Gabriel, Roeder, Smith & Company**

Date	Invoice#		
4/5/2016	421000	Actuarial Valuation	\$13,500.00
12/31/2015	418650	GASB 67 & 68	\$4,000
		<b>subtotal</b>	<b>\$17,500.00</b>

**Fiduciary Investment Advisors**

Date	Invoice#	Description	Amount
3/31/2016	961601	Quarterly Consulting Fee	\$7,585.11
		<b>subtotal</b>	<b>\$7,585.11</b>

**TOTAL      \$28,085.11**

The following invoices from Gabriel, Roeder, Smith & Company and Fiduciary Investment Advisors were presented to the Board members to accept the invoices as paid.

**MOTION: Jeanne Muto Kyle**

To accept payment of the invoice as submitted.

Seconded by Donald Cimini and approved unanimously by the Board members present.

11. **Pension Ordinance Revision – Establishing Protocol of Rehired of Vested Terminated Employees and Retirees.**

To table until the next meeting of September 21, 2016. Jane Jordan indicated that she will develop a spreadsheet to be presented at the next meeting.

<b>MOTION: Scott Small</b>
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12. **To adjourn the Retirement Board Meeting of June 15, 2016.**

Seconded by Jeanne Muto-Kyle and approved unanimously by the Board members present.

Respectfully submitted,

Jane Jordan, Secretary